instance, on the lines of voluntary enrolment and transference of labour without a Bill.

We further agreed that, in the statement to be made to the Houses, an assurance should be given that Labour would be associated with any organisation which it was decided to establish under the Director of National Service, and that no time limit should be fixed for the introduction of compulsion, but that the Prime Minister (in the Commons) and Lord Curzon (in the Lords) should make it clear that, if the voluntary effort failed, the Government would ask Parliament to release them from any pledges heretofore given on the subject of industrial compulsion, and to furnish them with adequate powers for rendering their proposals *Compulsion* effective. In the meantime, it would be *held in reserve* the duty of the Director to set up for voluntary enrolment and transference, machinery which might hereafter serve the purpose of compulsion, if compulsion became necessary.

The Secretary of State for War wished to have it put on record that, in order to maintain the drafts, not less than 100,000 men fit for general service must be obtained during January, and that in his opinion it would soon become necessary for the Government to introduce an amending Military Service Bill.

At the disposal of the new Ministry was the experience already accumulated by the

recruiting machinery, and by the Man-Power Distribution Board, which had for some time been functioning as an agency for keeping track of the available labour in the country, and furnishing workers to the establishments and departments engaged on Government business. The business of the new Director

Existing machinery